



Waste Management Announces Cash Tender Offer for up to \$950 million of certain of its Senior Notes

Apr 28, 2021

HOUSTON--(BUSINESS WIRE)--Apr. 28, 2021-- Waste Management, Inc. (NYSE: WM) (“Waste Management”) announced today that it, together with its wholly owned subsidiary, Waste Management Holdings, Inc. (“WMH” and, together with Waste Management, the “Offerors”), has commenced offers to purchase for cash (collectively, the “Offer”) up to \$950 million aggregate principal amount of the senior notes listed in the table below (collectively, the “Notes”).

The Offerors will prorate the Notes accepted for purchase pursuant to the Offer pursuant to the Acceptance Priority Procedures described herein and will accept for purchase Notes validly tendered and not validly withdrawn in the order set forth in the table below, beginning at the lowest numerical value first (the “Acceptance Priority Level”). The Offer is made upon the terms and subject to the conditions set forth in the offer to purchase dated April 28, 2021 (the “Offer to Purchase”), including the Financing Condition (as defined below). The Offer is not conditioned upon the tender of any minimum principal amount of Notes, but the Offerors will only purchase up to a maximum aggregate principal amount of \$950 million of the Notes (the “Maximum Principal Amount”), subject to increase by the Offerors in their sole discretion. In this press release, Notes that have been validly tendered and not validly withdrawn are referred to as having been “validly tendered.”

Title of Security ⁽¹⁾	Maturity Date / Par Call Date*	CUSIP Number	Principal Amount Outstanding	Acceptance Priority Level	U.S. Treasury Reference Security	Bloomberg Reference Page	Fixed Spread
6.125% Senior Notes due 2039	November 30, 2039	94106LAV1	\$251,803,000	1	1.625% U.S. Treasury due November 15, 2050	FIT1	+80 bps
7.75% Senior Notes due 2032	May 15, 2032	94106LAN9	\$152,936,000	2	1.125% U.S. Treasury due February 15, 2031	FIT1	+100 bps
7.375% Senior Notes due 2029	May 15, 2029	94106LAG4 / 94106LAF6 / USU94106AD04	\$81,105,000	3	1.125% U.S. Treasury due February 15, 2031	FIT1	+65 bps
4.15% Senior Notes due 2049	January 15, 2049*	94106LBK4	\$1,000,000,000	4	1.625% U.S. Treasury due November 15, 2050	FIT1	+75 bps
4.10% Senior Notes due 2045	September 1, 2044*	94106LBC2	\$750,000,000	5	1.625% U.S. Treasury due November 15, 2050	FIT1	+70 bps
3.90% Senior Notes due 2035	September 1, 2034*	94106LBB4	\$450,000,000	6	1.125% U.S. Treasury due February 15, 2031	FIT1	+90 bps
7.00% Senior Notes due 2028	July 15, 2028	902917AH6	\$330,419,000	7	1.125% U.S. Treasury due February 15, 2031	FIT1	+35 bps
7.10% Notes due 2026	August 1, 2026	92929QAQ0	\$248,898,000	8	0.75% U.S. Treasury due March 31, 2026	FIT1	+60 bps

3.50% Senior Notes due 2024	February 15, 2024*	94106LAZ2	\$350,000,000	9	0.375% U.S. Treasury due April 15, 2024	FIT1	+15 bps
3.125% Senior Notes due 2025	December 1, 2024*	94106LBA6	\$600,000,000	10	0.75% U.S. Treasury due March 31, 2026	FIT1	-5 bps
3.15% Senior Notes due 2027	August 15, 2027*	94106LBE8	\$750,000,000	11	0.75% U.S. Treasury due March 31, 2026	FIT1	+75 bps
2.90% Senior Notes due 2022	June 15, 2022*	94106LAY5	\$500,000,000	12	1.75% U.S. Treasury due June 15, 2022	FIT4	+15 bps
2.40% Senior Notes due 2023	March 15, 2023*	94106LBD0	\$500,000,000	13	0.125% U.S. Treasury due March 31, 2023	FIT1	+20 bps

(1) All Notes were originally issued by Waste Management, except for the 7.10% Notes due 2026, which were originally issued by WMX Technologies, Inc. and assumed by WMH, a wholly owned subsidiary of Waste Management. WMH has fully and unconditionally guaranteed all the Notes issued by Waste Management and Waste Management has fully and unconditionally guaranteed the 7.10% Notes due 2026.

* Refers to the first date such Notes may be redeemed at par prior to maturity (such applicable date, the "Par Call Date").

Indicative Timetable for the Offer:

Commencement of the Offer	April 28, 2021
Early Tender Time	5:00 p.m., New York City time, on May 11, 2021, unless extended by the Offerors in their sole discretion.
Withdrawal Deadline	5:00 p.m., New York City time, on May 11, 2021, unless extended by the Offerors in their sole discretion, except as described in the Offer to Purchase or as required by applicable law.
Price Determination Date	10:00 a.m., New York City time, on May 12, 2021, unless extended by the Offerors in their sole discretion.
Early Acceptance Date	If elected, a date following the Early Tender Time and prior to the Expiration Time. Expected to be the first business day following the Early Tender Time (but may change without notice).
Early Settlement Date	If elected, promptly after the Early Tender Time. Expected to be May 13, 2021, the second business day following the Early Tender Time, but subject to change.
Expiration Time	12:00 midnight, New York City time, at the end of May 25, 2021, unless extended by the Offerors in their sole discretion.
Final Settlement Date	Promptly after the Expiration Time. Expected to be May 27, 2021, the second business day following the Expiration Time, but subject to change.

The Offer will expire at 12:00 midnight, New York City time, at the end of May 25, 2021, unless extended (such time and date, as the same may be extended in the Offerors' sole discretion, the "Expiration Time") or earlier terminated by the Offerors. Holders of any Notes of any series who validly tender and do not validly withdraw their Notes at or prior to 5:00 p.m., New York City time, on May 11, 2021, unless extended (such time and date, as the same may be extended in the Offerors' sole discretion, the "Early Tender Time"), will be eligible to receive the Total Consideration (as defined in the Offer to Purchase). The Total Consideration for each U.S. \$1,000 principal amount of Notes of each series validly tendered and not validly withdrawn and accepted for purchase by the Offerors will be determined in the manner described in the Offer to Purchase, so as to result in a price as of the applicable Settlement Date (as defined below) based on a yield to the applicable Par Call Date or maturity date (in accordance with market practice) for the Notes of such series equal to the sum of the fixed spread listed in the table above for such series plus the yield based on the bid-side price of the applicable U.S. Treasury Reference Security listed in the table above for such series (the "Reference Treasury"), as quoted on the applicable page on the Bloomberg Bond Trader FIT1 or FIT4 series of pages, or any recognized quotation source selected by the dealer managers in their sole discretion if such quotation report is not available or manifestly erroneous, at 10:00 a.m., New York City time, on May 12, 2021, unless extended by the Offerors in their sole discretion. The Total Consideration, as calculated above, is inclusive of an early tender premium of \$30 per U.S. \$1,000 principal amount of Notes validly tendered and not validly withdrawn and accepted for purchase by the Offerors (the "Early Tender Premium"). Holders who validly tender their Notes after the Early Tender Time, but on or prior to the Expiration Time, will only be eligible to receive the Tender Consideration, which equals the Total Consideration minus the Early Tender Premium. Validly

tendered Notes may be validly withdrawn in accordance with the terms of the Offer, at any time on or prior to 5:00 p.m., New York City time, on May 11, 2021, unless extended, but not thereafter, except as described in the Offer to Purchase or as required by applicable law.

In addition to the Total Consideration or the Tender Consideration, as applicable, holders whose Notes are validly tendered and accepted for purchase pursuant to the Offer will be paid any accrued and unpaid interest on the Notes from, and including, the last interest payment date to, but not including, the Early Settlement Date or the Final Settlement Date (each, a "Settlement Date"), as applicable. For the avoidance of doubt, the Offerors will not pay any accrued and unpaid interest on any Notes accepted for purchase in the Offer following the applicable Settlement Date.

If the purchase of all Notes validly tendered in the Offer would cause the Offerors to purchase an aggregate principal amount of Notes in excess of the Maximum Principal Amount, subject to the terms and conditions of the Offer, including the Financing Condition, the Offerors will prorate the Notes accepted in the Offer as described in the Offer to Purchase (such procedures, the "Acceptance Priority Procedures"):

- If the aggregate principal amount of all Notes validly tendered and not validly withdrawn in the Offer on or prior to the Early Tender Time exceeds the Maximum Principal Amount, then the Offer will be oversubscribed on the Early Tender Time, and (1) the Offerors will not accept for purchase any Notes tendered after the Early Tender Time, and (2) the Offerors will (assuming satisfaction or, where applicable, the waiver of the conditions to the Offer) accept for purchase on the Early Acceptance Date (or, if there is no Early Acceptance Date, the Expiration Time) the maximum aggregate principal amount of Notes validly tendered and not validly withdrawn on or prior to the Early Tender Time as the Offerors can without exceeding the Maximum Principal Amount, on a pro rata basis as described below, in the order of the related Acceptance Priority Levels set forth in the table above (proceeding in ascending order from the lowest numerical value). If the aggregate principal amount of all validly tendered Notes of a series at one Acceptance Priority Level, when added to the aggregate principal amount of all Notes accepted for purchase at a higher Acceptance Priority Level (indicated by lower numerical value), does not exceed the Maximum Principal Amount, then the Offerors will accept for purchase all such tendered Notes of such series. If acceptance of all validly tendered Notes of a series at one Acceptance Priority Level, when added to the aggregate principal amount of all Notes accepted for purchase at a higher Acceptance Priority Level, exceeds the Maximum Principal Amount, then the Offerors will accept for purchase on a pro rata basis such tendered Notes such that the Offerors do not exceed the Maximum Principal Amount. Tendered Notes with a lower Acceptance Priority Level (indicated by a higher numerical value) than the Acceptance Priority Level that results in the purchase of the Maximum Principal Amount will not be accepted for purchase.
- If the Offer is not fully subscribed as of the Early Tender Time, and the aggregate principal amount of all Notes validly tendered in the Offer on or prior to the Expiration Time exceeds the Maximum Principal Amount, then the Offerors will accept for purchase on a pro rata basis (as described in the paragraph above) the maximum aggregate principal amount of such Notes of such series tendered after the Early Tender Time and on or prior to the Expiration Time as we can without exceeding the Maximum Principal Amount. Tendered Notes with a lower Acceptance Priority Level (indicated by a higher numerical value) than the Acceptance Priority Level that results in the purchase of the Maximum Principal Amount will not be accepted for purchase.
- If the Offer is not fully subscribed as of the Early Tender Time, Notes tendered on or before the Early Tender Time will be accepted for purchase in priority to Notes tendered after the Early Tender Time, even if such Notes tendered after the Early Tender Time have a higher Acceptance Priority Level.

Notwithstanding any other provision of the Offer, the obligation of the Offerors to accept for purchase, and to pay for, any Notes validly tendered is further subject to, and conditioned upon, the successful completion (in the Offerors' reasonable opinion) of the issuance of new senior notes designed to raise sufficient funds to purchase all Notes validly tendered, subject to the Maximum Principal Amount, and accepted for purchase by the Offerors and to pay all fees and expenses in connection with the Offer (the "Financing Condition"), together with cash on hand, if necessary, unless the Offerors (in their sole discretion) elect to waive the Financing Condition. The terms of such financing will be determined by market conditions and other factors at the time it occurs. No assurances can be given that the Offerors will in fact complete such financing. Consummation of the Offer is expressly contingent upon, among other things, the Offerors obtaining such financing on terms satisfactory to the Offerors.

Waste Management has retained Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and Wells Fargo Securities, LLC to serve as the dealer managers for the Offer and Global Bondholder Services Corporation to serve as tender and information agent for the Offer. The full details of the Offer, including complete instructions on how to tender Notes, are included in the Offer to Purchase. Holders of Notes are strongly encouraged to carefully read the Offer to Purchase, including materials incorporated by reference therein, because they will contain important information. Requests for the Offer to Purchase and any related supplements may also be directed to Global Bondholder Services Corporation by telephone at (212) 430-3774 (banks and brokers) or (866) 470-3700 (toll free) or email at contact@gbsc-usa.com. A copy of the Offer to Purchase is also available at the following web address: <https://www.gbsc-usa.com/wm/>. Questions about the Offer may be directed to Credit Suisse Securities (USA) LLC by telephone at (800) 820-1653 (toll free) or (212) 325-7823 (collect), to Goldman Sachs & Co. LLC by telephone at (800) 828-3182 (toll free) or (212) 357-1452 (collect) or via email at GS-LM-NYC@gs.com, and to Wells Fargo Securities, LLC by telephone at (866) 309-6316 (toll free) or (704) 410-4759 (collect) or via email at liabilitymanagement@wellsfargo.com.

This press release is for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell any securities. The Offer is being made only by, and pursuant to the terms of, the Offer to Purchase. The Offer is not being made in

any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction where the laws require the Offer to be made by a licensed broker or dealer, the Offer will be made by the dealer managers on behalf of the Offerors. In addition, this press release is not an offer to sell or the solicitation of an offer to purchase any securities issued in connection with any contemporaneous senior notes offering, nor shall there be any sale of the securities issued in such offering in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any such securities will be offered only by means of a prospectus, including a prospectus supplement and any related free writing prospectus relating to such securities, meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

None of the Offerors, the tender and information agent, the dealer managers or the trustee with respect to the Notes, nor any of their affiliates, makes any recommendation as to whether holders should tender or refrain from tendering all or any portion of their Notes in response to the Offer. None of the Offerors, the tender and information agent, the dealer managers or the trustee with respect to the Notes, nor any of their affiliates, has authorized any person to give any information or to make any representation in connection with the Offer other than the information and representations contained in the Offer to Purchase.

ABOUT WASTE MANAGEMENT

Waste Management, based in Houston, Texas, is the leading provider of comprehensive waste management environmental services in North America, providing services throughout the United States and Canada. Through its subsidiaries, the Company provides collection, transfer, disposal services, and recycling and resource recovery. It is also a leading developer, operator and owner of landfill gas-to-energy facilities in the United States. The Company's customers include residential, commercial, industrial, and municipal customers throughout North America.

FORWARD-LOOKING STATEMENT

This press release contains forward-looking statements that involve risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements in this press release are discussed in Waste Management's most recent Annual Report on Form 10-K and subsequent reports on Form 10-Q.

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Source: Waste Management, Inc.